

W.R. GRACE & CO., & Subsidiaries
 U.S. Corporation Income Tax Return
 For Year Ended 12/31/2001

Form 1120 US Corporation Income Tax Return
 Schedule L, Line 24--Appropriated R/E (Beginning)

Statement 27

Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
Miscellaneous Retained Earnings-Appropriated	0	0	0	-2,000
Totals	0	0	0	-2,000

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Schedule L, Line 24--Appropriated R/E (Ending)

Statement 27

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	GRACE 65-0773649	Ichiban 65-0773652
Miscellaneous Retained Earnings-Appropriated	-2,000	0	-2,000	0	0
Totals	-2,000	0	-2,000	0	0

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Statement 27

Item Description	Receivables 58-2430942	Remedium 22-2312556	Alewif Land 22-2603359	Alewif Boston 22-2603361	Five Alewife 22-3003981	GN Holdings 13-3613599
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	CCHP, Inc 13-3613597	MRA Holding 65-0546677	MRA Intermedco 65-0180823	MRA Staffing 65-0180825	1096784ASIA 65-0422490	Dubai 65-0456165
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	CB Biomedical 65-0679166	Amicon 04-3137963	Washington 22-2941320	Grace Environ 13-3546067	Separation 95-2806431	Art Management 52-2290300
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	Grace Cuba 36-6110408	Collections 65-0419649	Litigation Mgt 65-0537976	Southern Oil 59-0967853	Guanica 65-0504444	405,407,409,702 13-2671485
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	A-1 Bit&Tool 22-2974435	Tarpon Invest 65-0344213	G C LTD 65-0344211	Monolith 52-0913918	Grace Culinary 52-1309187	Grace Hotel 13-3584911
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	Monroe Street 65-0351861	Mgmt Services 65-0391048	LB Realty 65-0378942	Grace H-G Inc. 13-3041784	Hanover 13-6112817	Ecarg 22-2065245
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	W.R. Land 13-2677646	G C Management 65-0355942	Grace Interna 65-0609540	Water Street 13-6152056	Del Taco 75-1437918	Grace Capital 13-2934061
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	Gloucester New 13-2728098	Creative Food 58-1505881	PAR Corp 22-2341175	Grace A-B 22-2355544	Homco Inter 74-1614655	GPC Thomasville 65-0382355
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	Ventures 13-3102623	Grace Energy 11-2516702	GEC Management 75-2283780	Grace Chemicals 13-3614662	Darex Puerto 13-2830236	Offshore 72-0502652
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Coalgrace 13-2934063	Grace A-B II 58-1969353	Grace H-G II 58-1969354	Coalgrace II 58-1969355	Gracoal II 34-1103784	Gracoal 75-1511800
Miscellaneous Retained Earnings-Appropriated	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 27

Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
Miscellaneous Retained Earnings-Appropriated	0	0	0	-2,000
Totals	0	0	0	-2,000

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Schedule M-1, Line 4--Other Taxable Income

Statement 28

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Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	GRACE 65-0773649	Ichiban 65-0773652
Foreign Dividends Gross-up (Section 78)	91,474	0	91,474	0	0
Gain/Loss on Disposition of Assets	2,388,167	0	2,388,167	0	0
Deferred Income	496,000	0	496,000	0	0
Partnership Income	20,402,755	0	20,402,755	0	0
Foreign Dividends	561,829	0	561,829	0	0
481 Adjustment for Inventory	2,222,000	0	2,222,000	0	0
Sale of inventory - Land	1,211,107	0	1,211,107	0	0
Totals	27,373,332	0	27,373,332	0	0

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Item Description	Receivables 58-2430942	Remedium 22-2312556	Alewife Land 22-2603359	Alewife Boston 22-2603361	Five Alewife 22-3003981	GN Holdings 13-3613599
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	CCHP, Inc 13-3613597	MRA Holding 65-0546677	MRA Intermedco 65-0180823	MRA Staffing 65-0180825	1096784ASIA 65-0422490	Dubai 65-0456165
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	7,390,014	0	0	4,156,883	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of Inventory - Land	0	0	0	0	0	0
Totals	7,390,014	0	0	4,156,883	0	0

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Item Description	CB Biomedical 65-0679166	Amicon 04-3137963	Washington 22-2941320	Grace Environ 13-3546067	Separation 95-2806431	Art Management 52-2290300
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	6,561	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	3,678
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of Inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	6,561	3,678

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Item Description	Grace Cuba 36-6110408	Collections 65-0419649	Litigation Mgt 65-0537976	Southern Oil 59-0967853	Guanica 65-0504444	405,407,409,702 13-2671485
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of Inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	A-1 BitsTool 22-2974435	Tarpon Invest 65-0344213	G C LTD 65-0344211	Monolith 52-0913918	Grace Culinary 52-1309187	Grace Hotel 13-3584911
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	-6,441	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	0	0	0	0	0	0
Totals	0	-6,441	0	0	0	0

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Item Description	Monroe Street 65-0351861	Mgmt Services 65-0391048	LB Realty 65-0378942	Grace H-G Inc. 13-3041784	Hanover 13-6112817	Ecarg 22-2065245
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	W.R. Land 13-2677646	G C Management 65-0355942	Grace Interna 65-0609540	Water Street 13-6152056	Del Taco 75-1437918	Grace Capital 13-2934061
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Gloucester New 13-2728098	Creative Food 58-1505881	PAR Corp 22-2341175	Grace A-B 22-2355544	Homco Inter 74-1614655	GPC Thomasville 65-0382355
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	1,211,107	0	0	0	0	0
Totals	1,211,107	0	0	0	0	0

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Item Description	Ventures 13-3102623	Grace Energy 11-2516702	GEC Management 75-2283780	Grace Chemicals 13-3614662	Darex Puerto 13-2830236	Offshore 72-0502652
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	0	0
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Coalgrace 13-2934063	Grace A-B II 58-1969353	Grace H-G II 58-1969354	Coalgrace II 58-1969355	Gracoal II 34-1103784	Gracoal 75-1511800
Foreign Dividends Gross-up (Section 78)	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Deferred Income	0	0	0	0	0	0
Partnership Income	0	0	0	0	2,566,407	2,566,406
Foreign Dividends	0	0	0	0	0	0
481 Adjustment for Inventory	0	0	0	0	0	0
Sale of inventory - Land	0	0	0	0	0	0
Totals	0	0	0	0	2,566,407	2,566,406

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Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
Foreign Dividends Gross-up (Section 78)	0	0	0	91,474
Gain/Loss on Disposition of Assets	0	0	0	2,381,606
Deferred Income	0	0	0	496,000
Partnership Income	0	0	0	3,725,808
Foreign Dividends	0	0	0	561,829
481 Adjustment for Inventory	0	0	0	2,222,000
Sale of inventory - Land	0	0	0	0
Totals	0	0	0	9,478,717

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Schedule M-1, Line 5--Other Book Expense

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Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	GRACE 65-0773649	Ichiban 65-0773652
Foreign Taxes	1,425,561	0	1,425,561	0	0
Accrued LTIP Expenses	2,203,103	0	2,203,103	0	0
Other Non Deductible Expenses	73,889	0	73,889	0	0
Accrued Salaries and Wages	-2,332,974	0	-2,332,974	0	0
R&D Expenses Capitalized	1,852,665	0	1,852,665	0	0
Section 263A Capitalization	1,232,000	0	1,232,000	0	0
Other Accrued Expenses	210,365	0	210,365	0	0
Bad Debts	-321,450	0	-321,450	0	0
Amortization	2,659,538	0	2,659,538	0	0
Lobbying Costs	695,693	0	695,693	0	0
Asbestos Reserves	-63,495,522	0	-63,495,522	0	0
Inventory Reserve	50,224	0	50,224	0	0
Dupont Interest Expense	1,683,299	0	1,683,299	0	0
Insurance Reserve	61,464	0	61,464	0	0
Executive Compensation	1,344,798	0	1,344,798	0	0
Chapter 11 Reorganization Expenses	11,547,400	0	11,547,400	0	0
State Income taxes	3,188,436	0	3,188,436	573,021	0
Totals	-37,921,511	0	-37,921,511	573,021	0

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Schedule M-1, Line 5--Other Book Expense

Statement 29

Item Description	Receivables 58-2430942	Remedium 22-2312556	Alewife land 22-2603359	Alewife Boston 22-2603361	Five Alewife 22-3003981	GN Holdings 13-3613599
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	-1,599,385	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	-1,599,385	0	0	0	0	0

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Schedule M-1, Line 5--Other Book Expense

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Item Description	CCHP, Inc 13-3613597	MRA Holding 65-0546677	MRA Intermedco 65-0180823	MRA Staffing 65-0180825	1094784ASIA 65-0422490	Dubai 65-0456165
Foreign Taxes	0	0	0	0	-26,712	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	-26,712	0

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Schedule M-1, Line 5--Other Book Expense

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Item Description	CB Biomedical 65-0679166	Amicon 04-3137963	Washington 22-2941320	Grace Environ 13-3546067	Separation 95-2806431	Art Management 52-2290300
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	-14,258	14,202	0
Lobbying Costs	0	0	695,693	0	373,878	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	76,802	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	119,796	0
Totals	0	0	695,693	-14,258	584,678	0

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Item Description	Grace Cuba 36-6110408	Collections 65-0419649	Litigation Mgt 65-0537976	Southern Oil 59-0967853	Guanica 65-0504444	405,407,409,702 13-2671485
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	A-1 BitfTool 22-2974435	Tarpon Invest 65-0344213	G C LTD 65-0344211	Monolith 52-0913918	Grace Culinary 52-1309187	Grace Hotel 13-3584911
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Monroe Street 65-0351861	Mgmt Services 65-0391048	LB Realty 65-0378942	Grace H-G Inc. 13-3041784	Hanover 13-6112817	Ecary 22-2065245
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	W.R. Land 13-2677646	G C Management 65-0355942	Grace Interna 65-0609540	Water Street 13-6152056	Del Taco 75-1437918	Grace Capital 13-2934061
Foreign Taxes	0	0	501,298	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	501,298	0	0	0

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Statement 29

Item Description	Gloucester New 13-2728098	Creative Food 58-1505881	PAR Corp 22-2341175	Grace A-B 22-2355544	Homco Inter 74-1614655	GPC Thomasville 65-0382355
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Ventures 13-3102623	Grace Energy 11-2516702	GEC Management 75-2283780	Grace Chemicals 13-3614662	Darex Puerto 13-2830236	Offshore 72-0502652
Foreign Taxes	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Coalgrace 13-2934063	Grace A-B II 58-1969353	Grace H-G II 58-1969354	Coalgrace II 58-1969355	Gracoal II 34-1103784	Gracoal 75-1511800
Foreign Taxes	0	0	0	0	0	0
Accrued LTRP Expenses	0	0	0	0	0	0
Other Non Deductible Expenses	0	0	0	0	0	0
Accrued Salaries and Wages	0	0	0	0	0	0
R&D Expenses Capitalized	0	0	0	0	0	0
Section 263A Capitalization	0	0	0	0	0	0
Other Accrued Expenses	0	0	0	0	0	0
Bad Debts	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Lobbying Costs	0	0	0	0	0	0
Asbestos Reserves	0	0	0	0	0	0
Inventory Reserve	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Executive Compensation	0	0	0	0	0	0
Chapter 11 Reorganization Expenses	0	0	0	0	0	0
State Income taxes	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
Foreign Taxes	0	0	0	950,975
Accrued LTRP Expenses	0	0	0	2,203,103
Other Non Deductible Expenses	0	0	0	73,889
Accrued Salaries and Wages	0	0	0	-2,332,974
R&D Expenses Capitalized	0	0	0	1,852,665
Section 263A Capitalization	0	0	0	1,232,000
Other Accrued Expenses	0	0	0	210,365
Bad Debts	0	0	0	1,277,991
Amortization	0	0	0	2,285,660
Lobbying Costs	0	0	0	0
Asbestos Reserves	0	0	0	-63,495,522
Inventory Reserve	0	0	0	-26,578
Dupont Interest Expense	0	0	0	1,683,299
Insurance Reserve	0	0	0	61,464
Executive Compensation	0	0	0	1,344,798
Chapter 11 Reorganization Expenses	0	0	0	11,547,400
State Income taxes	0	0	0	2,495,619
Totals	0	0	0	-38,635,846

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Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	GRACE 65-0773649	Ichiban 65-0773652
Equity Pickup of Subsidiary	349,123	0	349,123	0	0
Branch Income	1,460,433	0	1,460,433	0	0
Gain/Loss on Disposition of Assets	6,025,241	0	6,025,241	0	0
Equity Pickup in Partnership	3,111,017	0	3,111,017	0	0
COLI INCOME	5,475,308	0	5,475,308	0	0
ROYALTY INCOME	11,573,481	0	11,573,481	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	-532,150	0	-532,150	0	0
Totals	27,462,453	0	27,462,453	0	0

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Statement 30

Item Description	Receivables 58-2430942	Remedium 22-2312556	Alewile Land 22-2603359	Alewile Boston 22-2603361	Five Alewife 22-3003981	GN Holdings 13-3613599
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	CCHP, Inc 13-3613597	MRA Holding 65-0546677	MRA Intermedco 65-0180823	MRA Staffing 65-0180825	1096784ASIA 65-0422490	Dubai 65-0456165
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	CB Biomedical 65-0679166	Amicon 04-3137963	Washington 22-2941320	Grace Environ 13-3546067	Separation 95-2806431	Art Management 52-2290300
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	Grace Cuba 36-6110408	Collections 65-0419649	Mitigation Mgt 65-0537976	Southern Oil 59-0967853	Guanica 65-0504444	405,407,409,702 13-2671485
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	A-1 Bit&Tool 22-2974435	Tarpon Invest 65-0344213	G C LTD 65-0344211	Monolith 52-0913918	Grace Culinary 52-1309187	Grace Hotel 13-3584911
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	Monroe Street 65-0351861	Mgmt Services 65-0391048	LB Realty 65-0378942	Grace H-G Inc. 13-3041784	Hanover 13-6112817	Ecarg 22-2065245
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	W.R. Land 13-2677646	G C Management 65-0355942	Grace Interna 65-0609540	Water Street 13-6152056	Del Taco 75-1437918	Grace Capital 13-2934061
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	Gloucester New 13-2728098	Creative Food 58-1505881	PAR Corp 22-2341175	Grace A-B 22-2355544	Homco Inter 74-1614655	GPC Thomasville 65-0382355
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	Ventures 13-3102623	Grace Energy 11-2516702	GEC Management 75-2283780	Grace Chemicals 13-3614662	Darex Puerto 13-2830236	Offshore 72-0502652
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	Coalgrace 13-2934063	Grace A-B II 58-1969353	Grace H-G II 58-1969354	Coalgrace II 58-1969355	Gracoal II 34-1103784	Gracoal 75-1511800
Equity Pickup of Subsidiary	0	0	0	0	0	0
Branch Income	0	0	0	0	0	0
Gain/Loss on Disposition of Assets	0	0	0	0	0	0
Equity Pickup in Partnership	0	0	0	0	0	0
COLI INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 30

Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
Equity Pickup of Subsidiary	0	0	0	349,123
Branch Income	0	0	0	1,460,433
Gain/Loss on Disposition of Assets	0	0	0	6,025,241
Equity Pickup in Partnership	0	0	0	3,111,017
COLI INCOME	0	0	0	5,475,308
ROYALTY INCOME	0	0	0	11,573,481
Miscellaneous Inc Rec On Bks Not Inc Ret-Other	0	0	0	-532,150
Totals	0	0	0	27,462,453

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Schedule M-1, Line 8--Other Tax Expense

Statement 31

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	GRACE 65-0773649	Ichiban 65-0773652
State Taxes	-657,257	0	-657,257	0	0
Divestment Reserve	-2,359,449	0	-2,359,449	0	0
Accrued Pension Expenses	12,368,859	0	12,368,859	0	0
Accrued LTIP Expenses	280,010	0	280,010	0	0
Restructuring Charges	1,990,344	0	1,990,344	0	0
COLI Expenses	282,889	0	282,889	0	0
Miscellaneous Expenses	-13,937	0	-13,937	0	0
Deferred Compensation Expenses	13,664,983	0	13,664,983	0	0
Accrued OPEB	19,913,223	0	19,913,223	0	0
Environmental Expenses	21,794,632	0	21,794,632	0	0
Inventory Absorption	66,456	0	66,456	0	0
Amortization	3,499,361	0	3,499,361	0	0
Unrealized Transaction-Foreign G/L	439,075	0	439,075	0	0
Dupont Interest Expense	144,255	0	144,255	0	0
Insurance Reserve	66,504	0	66,504	0	0
Percentage Depletion	468,325	0	468,325	0	0
Totals	71,948,273	0	71,948,273	0	0

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Item Description	Receivables 58-2430942	Remedium 22-2312556	Alewife Land 22-2603359	Alewife Boston 22-2603361	Five Alewife 22-3003981	GN Holdings 13-3613599
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	51,812	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	5,581,857	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign C/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	51,812	5,581,857	0	0	0	0

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Item Description	CCHP, Inc 13-3613597	MRA Holding 65-0546677	MRA Intermedco 65-0180823	MRA Staffing 65-0180825	1096784ASIA 65-0422490	Dubai 65-0456165
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	196	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	196	0

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Item Description	CB Biomedical 65-0679166	Amicon 04-3137963	Washington 22-2941320	Grace Environ 13-3546067	Separation 95-2806431	Art Management 52-2290300
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTRIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	298,370	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	298,370	0	0	0	0	0

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Item Description	Grace Cuba 36-6110408	Collections 65-0419649	Litigation Mgt 65-0537976	Southern Oil 59-0967853	Guanica 65-0504444	405,407,409,702 13-2671485
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	1,393
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	109,030
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	472,874
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	0	583,297

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Item Description	A-1 Bit&Tool 22-2974435	Tarpon Invest 65-0344213	G C LTD 65-0344211	Monolith 52-0913918	Grace Culinary 52-1309187	Grace Hotel 13-3584911
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Monroe Street 65-0351861	Mgmt Services 65-0391048	LB Realty 65-0378942	Grace H-G Inc. 13-3041784	Hanover 13-6112817	Ecarq 22-2065245
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	-117,128	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTRP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	-117,128	0	0	0	0

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Item Description	W.R. Land 13-2677646	G C Management 65-0355942	Grace Interna 65-0609540	Water Street 13-6152056	Del Taco 75-1437918	Grace Capital 13-2934061
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Gloucester New 13-2728098	Creative Food 58-1505881	PAR Corp 22-2341175	Grace A-B 22-2355544	Homco Inter 74-1614655	GPC Thomasville 65-0382355
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Ventures 13-3102623	Grace Energy 11-2516702	GEC Management 75-2283780	Grace Chemicals 13-3614662	Darex Puerto 13-2830236	Offshore 72-0502652
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Coalgrace 13-2934063	Grace A-B II 58-1969353	Grace H-G II 58-1969354	Coalgrace II 58-1969355	Gracoal II 34-1103784	Gracoal 75-1511800
State Taxes	0	0	0	0	0	0
Divestment Reserve	0	0	0	0	0	0
Accrued Pension Expenses	0	0	0	0	0	0
Accrued LTIP Expenses	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0
COLI Expenses	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Deferred Compensation Expenses	0	0	0	0	0	0
Accrued OPEB	0	0	0	0	0	0
Environmental Expenses	0	0	0	0	0	0
Inventory Absorption	0	0	0	0	0	0
Amortization	0	0	0	0	0	0
Unrealized Transaction-Foreign G/L	0	0	0	0	0	0
Dupont Interest Expense	0	0	0	0	0	0
Insurance Reserve	0	0	0	0	0	0
Percentage Depletion	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
State Taxes	0	0	0	-657,257
Divestment Reserve	0	0	0	-2,243,714
Accrued Pension Expenses	0	0	0	12,368,859
Accrued LTIP Expenses	0	0	0	280,010
Restructuring Charges	0	0	0	1,990,344
COLI Expenses	0	0	0	282,889
Miscellaneous Expenses	0	0	0	-473,149
Deferred Compensation Expenses	0	0	0	13,664,983
Accrued OPEB	0	0	0	19,913,223
Environmental Expenses	0	0	0	16,212,775
Inventory Absorption	0	0	0	66,456
Amortization	0	0	0	3,499,361
Unrealized Transaction-Foreign G/L	0	0	0	-33,995
Dupont Interest Expense	0	0	0	144,255
Insurance Reserve	0	0	0	66,504
Percentage Depletion	0	0	0	468,325
Totals	0	0	0	65,549,869

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Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	GRACE 65-0773649	Ichiban 65-0773652
Currency Translation	-77,465,427	0	-77,465,427	0	0
Comprehensive Income/Loss	-124,640,407	0	-124,640,407	0	0
Transfer of R.E.	83,077,403	0	83,077,403	0	0
Miscellaneous Other Increases	-60,873,324	0	-60,873,324	0	0
Totals	-179,901,755	0	-179,901,755	0	0

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Statement 32

Item Description	Receivables 58-2430942	Remedium 22-2312556	Alewife Land 22-2603359	Alewife Boston 22-2603361	Five Alewife 22-3003981	GN Holdings 13-3613599
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	45,658	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	45,658	0	0	0	0

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Item Description	CCHP, Inc 13-3613597	MRA Holding 65-0546677	MRA Intermedco 65-0180823	MRA Staffing 65-0180825	10967843SIA 65-0422490	Dubai 65-0456165
Currency Translation	0	0	0	0	-216	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases						
Totals	0	0	0	0	-216	0

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Statement 32

Item Description	CB Biomedical 65-0679166	Amicon 04-3137963	Washington 22-2941320	Grace Environ 13-3546067	Separation 95-2806431	Art Management 52-2290300
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	-40,407	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	0	0	-40,407	0

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Item Description	Grace Cuba 36-6110408	Collections 65-0419649	Litigation Mgt 65-0537976	Southern Oil 59-0967853	Guanica 65-0504444	405,407,409,702 13-2671485
Currency Translation	0	0	0	0	0	50,823
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	-216,000
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	0	0	0	-165,177

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Statement 32

Item Description	A-1 Bits&Tool 22-2974435	Tarpon Invest 65-0344213	G C LTD 65-0344211	Monolith 52-0913918	Grace Culinary 52-1309187	Grace Hotel 13-3584911
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Statement 32

Item Description	Monroe Street 65-0351861	Mgmt Services 65-0391048	LB Realty 65-0378942	Grace H-G Inc. 13-3041784	Hanover 13-6112817	Ecarg 22-2065245
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	203,289	0	0	0	0
Totals	0	203,289	0	0	0	0

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Item Description	W.R. Land 13-2677646	G C Management 65-0355942	Grace Interna 65-0609540	Water Street 13-6152056	Del Taco 75-1437918	Grace Capital 13-2934061
Currency Translation	0	0	-18,183,017	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	-18,183,017	0	0	0

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Statement 32

Item Description	Gloucester New 13-2728098	Creative Food 58-1505881	PAR Corp 22-2341175	Grace A-B 22-2355544	Homco Inter 74-1614655	GPC Thomasville 65-0382355
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Ventures 13-3102623	Grace Energy 11-2516702	GEC Management 75-2283780	Grace Chemicals 13-3614662	Darex Puerto 13-2830236	Offshore 72-0502652
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Coalgrace 13-2934063	Grace A-B II 58-1969353	Grace H-G II 58-1969354	Coalgrace II 58-1969355	Gracoal II 34-1103784	Gracoal 75-1511800
Currency Translation	0	0	0	0	0	0
Comprehensive Income/Loss	0	0	0	0	0	0
Transfer of R.E.	0	0	0	0	0	0
Miscellaneous Other Increases	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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Item Description	Grace Drilling 73-0971397	Grace Libya 13-6112816	Germany Hold 65-0799268	Conn 13-5114230
Currency Translation	0	0	0	-59,333,017
Comprehensive Income/Loss	0	0	0	-124,600,000
Transfer of R.E.	0	0	0	83,247,745
Miscellaneous Other Increases	0	0	0	-61,076,613
Totals	0	0	0	-161,761,885

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Form 1120D Capital Gains and Losses
Part II, Line 6--Long-Term Gains and Losses

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Description of Property	Date Acquired	Date Sold	Gross Sales Price	Cost	Gain or Loss
CCHP, Inc 13-3613597					
STOCK	01/01/1999	01/01/2001	1,064,445		1,064,445
Total CCHP, Inc			1,064,445		1,064,445
MRA Staffing 65-0180825					
STOCK	01/01/1999	01/01/2001	598,750		598,750
Total MRA Staffing			598,750		598,750
Gracoal II 34-1103784					
Colowyo Coal Co LP	Various	Various	2,566,407		2,566,407
Total Gracoal II			2,566,407		2,566,407
Gracoal 75-1511800					
Colowyo Coal Co LP	01/01/1999	12/31/2001	2,566,406		2,566,406
Total Gracoal			2,566,406		2,566,406
Elimination					
Total			6,796,008		6,796,008

09-03-02 08:35:16

W.R. GRACE & CO., & Subsidiaries
 U.S. Corporation Income Tax Return
 For Year Ended 12/31/2001

pg 507
 EIN: 65-0773649

Form 4797 Page 1

Part I, Line 2--Property Held More than 1 Year

Statement 34

Description of Property	Date Acquired	Date Sold	Gross sales Price	Depreciation	Cost	Gain/Loss
Conn 13-5114230						
Various	06/01/1989	06/01/2001	0	2,161,237	2,401,888	-240,651
INVENTORY	01/01/2000	03/23/2001	0	0	57,055	-57,055
VARIOUS	01/01/1990	06/01/2001	96,308	5,256,399	5,698,250	-345,543
Total Conn						-643,249
Elimination						0
Total						-643,249

W.R. GRACE & CO. AND SUBSIDIARIES
CONSOLIDATED U.S. CORPORATION INCOME TAX RETURN
FOR THE TAX YEAR JANUARY 1, TO DECEMBER 31, 2001
MISCELLANEOUS ELECTIONS

All corporations included in this return herewith make the following elections:
(All references are to Sections in the Internal Revenue Code or Treasury Regulations)

Organizational Expenses Election

In accordance with Section 248(a), the taxpayer elects to capitalize and amortize expenses beginning with the month the company began business.

Start Up Expenditure Election

In accordance with Section 195(c), an election is hereby made to amortize business start up expenditures over a 60 month period beginning with the month in which the business began.

Recurring Items Election

In accordance with Section 461(h)(3), the recurring items exception is herein adopted for those accrual basis corporations that are filing their first return as part of this consolidated return or have items of income or deductions for the first time in 1999.

Qualifying Dividends Election

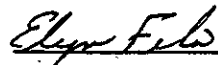
Pursuant to Section 243(b)(2), the W.R. Grace & Co. Affiliated Group hereby elects to exclude from taxable income all, "qualifying dividends" as defined under I.R.C 243(b)(1).

"ACE LIFO" Election

Pursuant to Section 1.56(g)-1(r), the W.R. Grace & Co. Affiliated Group hereby elects to use regular tax inventory amounts in computing pre adjustment AMTI and ACE, including the LIFO inventory adjustment of Reg. 1.56(g)-1(f)(3).

High Tax Exception

Pursuant to Section 1.954-1(d)(5), the W.R. Grace & Co. Affiliated Group hereby elects the high tax exception for purposes of determining whether income received by its controlled foreign corporations is includable under Subpart F.



OFFICER

W.R. GRACE & CO. AND SUBSIDIARIES

E.I.N. 65-0773649

TAX YEAR ENDED DECEMBER 31, 2001

Statement Filed in Accordance with Treasury Regulation 1.382-2T(a)(2)(ii)

The taxpayer is a loss corporation for the year ended December 31, 2001 as defined in Treasury Regulation 1.382-2(a)(1). The following information is provided in accordance with Treasury Regulation 1.382-2T(a)(2)(ii):

- | | |
|--|------|
| (A) Indicate whether any testing dates occurred: | NONE |
| (B) Identify each testing date, if any, on which an ownership change occurred: | NONE |
| (C) Testing dates occurring closest to March 31, June 30, September 30, and December 31: | NONE |
| (D) Identify each five percent shareholder on testing dates: | N/A |
| (E) Percentage ownership of stock of the taxpayer for each five percent shareholder
As of each testing date and the increase in such ownership during the testing period: | N/A |

The taxpayer has relied on information as discussed in Treasury Regulation 1.382-2T(k), on a reasonable basis, in providing the above information.

W.R. GRACE & CO. AND SUBSIDIARIES
CONSOLIDATED U.S. CORPORATION INCOME TAX RETURN
FOR THE TAX YEAR JANUARY 1, TO DECEMBER 31, 2001

ELECTION TO ALLOCATE TAX LIABILITY UNDER
Regs. Section 1.1502-33(D)

The Taxpayer hereby elects to allocate its federal tax liability in accordance with the method prescribed in Regs. Section 1.1552-1(a)(1).

In conjunction with the election, the Taxpayer further hereby elects to allocate its federal income tax liability utilizing the additional method prescribed in Regs. Section 1.1502-33(d)(3) (the percentage method) using 100% as the percentage to be used.

Statement Pursuant to Treasury Regulations § 1.367(a)-8(b)(5)

For

W. R. Grace & Co.

For the Year Ended December 31, 2001

EIN 65-0773649

Pursuant to Regulation § 1.367(a)-8(b)(5), the transferor (W. R. Grace & Co.-Conn.) hereby certifies that the transferee corporation (Grace Holding GmbH, formerly EAP Akustik GmbH) has not transferred or disposed of any or all of the assets transferred (100% of the issued and outstanding stock of Denac Nederland B.V.) on October 21, 1999, and reported on Form 926 (and the associated Gain Recognition Agreement), during the taxable year ending December 31, 1999. In addition, the transferors hereby certify that Denac Nederland B.V. has not disposed of substantially all of its assets during the taxable year ending December 31, 2001.

Penalties of Perjury Statement

Under penalties of perjury, the undersigned declares that the above, to the best of her knowledge and belief, is true, correct and complete.


Elyse Filon

Vice President

W. R. Grace & Co.

Date: September 13, 2002

Statement Pursuant to Treasury Regulations § 1.367(a)-8(b)(5)

For

W. R. Grace & Co.

For the Year Ended December 31, 2001

EIN 65-0773649

Pursuant to Regulation § 1.367(a)-8(b)(5), the transferor (W. R. Grace & Co.-Conn.; Grace International Holdings Inc.; and, Water Street Corporation) hereby certifies that the transferee corporation (Grace GmbH & Co. KG, formerly Grace GmbH) has not transferred or disposed of any or all of the assets transferred (99.91% of the issued and outstanding stock of Grace Brasil Ltda.) on December 29, 1998, and reported on Form 926 (and the associated Gain Recognition Agreement), during the taxable year ending December 31, 1998. In addition, the transferors hereby certify that Grace Brasil Ltda. has not disposed and substantially all of its assets during the taxable year ending December 31, 2001.

Penalties of Perjury Statement

Under penalties of perjury, the undersigned declares that the above, to the best of her knowledge and belief, is true, correct and complete.


Elyse Filon

Vice President

W. R. Grace & Co.

Date: September 13, 2002

Statement Pursuant to Treasury Regulations § 1.367(a)-8(b)(5)

For

W. R. Grace & Co.

For the Year Ended December 31, 2001

EIN 65-0773649

Pursuant to Regulation § 1.367(a)-8(b)(5), the transferor (W. R. Grace & Co.-Conn.) hereby certifies that the transferee corporation (Grace Holding GmbH, formerly EAP Akustik GmbH) has not transferred or disposed of any or all of the assets transferred (100% of the issued and outstanding stock of Grace Darex GmbH) on December 30, 1998, and reported on Form 926 (and the associated Gain Recognition Agreement), during the taxable year ending December 31, 1998. In addition, the transferors hereby certify that Grace Darex GmbH has not disposed and substantially all of its assets during the taxable year ending December 31, 2001.

Penalties of Perjury Statement

Under penalties of perjury, the undersigned declares that the above, to the best of her knowledge and belief, is true, correct and complete.


Elyse Filon

Vice President

W. R. Grace & Co.

Date: September 13, 2002

Statement Pursuant to Treasury Regulations § 1.367(a)-8(b)(5)

For

W. R. Grace & Co.

For the Year Ended December 31, 2001

EIN 65-0773649

Pursuant to Regulation § 1.367(a)-8(b)(5), the transferor (W. R. Grace & Co.-Conn.) hereby certifies that the transferee corporation (Grace Holding GmbH, formerly EAP Akustik GmbH) has not transferred or disposed of any or all of the assets transferred (98.69% of the issued and outstanding stock of Grace GmbH & Co. KG, formerly Grace GmbH) on December 30, 1998, and reported on Form 926 (and the associated Gain Recognition Agreement), during the taxable year ending December 31, 1998. In addition, the transferors hereby certify that Grace GmbH & Co. KG has not disposed and substantially all of its assets during the taxable year ending December 31, 2001.

Penalties of Perjury Statement

Under penalties of perjury, the undersigned declares that the above, to the best of her knowledge and belief, is true, correct and complete.


Elyse Filon

Vice President

W. R. Grace & Co.

Date: September 13, 2002

W.R. GRACE CO., & SUBSIDIARIES
NON-SRLY NOL CARRYOVER SCHEDULES
FEIN: 65-0773649
12/31/2001

REGULAR TAX NOL

YEAR ENDING	AMOUNT GENERATED	AMOUNT UTILIZED	CONVERTED CONTRIBUTIONS	CARRYOVER
12/31/1999	138,040,864			138,040,864
12/31/2000	<u>226,172,484</u>			<u>226,172,484</u>
TOTAL	364,213,348			<u>364,213,348</u>

ALTERNATIVE MINIMUM TAX NOL

YEAR ENDING	AMOUNT GENERATED	AMOUNT UTILIZED	CONVERTED CONTRIBUTIONS	CARRYOVER
12/31/1999	105,394,241			105,394,241
12/31/2000	<u>190,326,407</u>			<u>190,326,407</u>
TOTAL	295,720,648			<u>295,720,648</u>

U.S. Corporation Income Tax Return

OMB No 1545-0123

For calendar year 2001 or tax year beginning _____ ending _____
Instructions are separate. See Instructions for Paperwork Reduction Act Notice.

2001

A Check if a:

Consolidated return
(attach Form 851) ☐

Personal holding co.
(attach Sch. PH) ☐

3 Personal service corp.
(as defined in Temporary
Regs. sec. 1.441-4T-
see instructions) ☐

Use
IRS
label.
Other-
wise,
print or
type.

Name

W.R. GRACE & CO.-CONN. and DIVISIONS

Number, street, and room or suite no. (If a P.O. box, see instructions.)

5400 Broken Sound Blvd. Suite 300

City or town, state, and ZIP code

Boca Raton, FL

33487

B Employer identification number

13-5114230

C Date incorporated

06/20/1899

D Total assets (see instructions)

3,934,520,045

E Check applicable boxes:

(1) ☐

Initial return

(2) ☐

Final return

(3) ☐

Name change

(4) ☐

Address change

\$

Income

1 a Gross receipts or sales 1,021,196,077

b Less returns and allowances 34,826,751

c Bal 986,369,326

2 Cost of goods sold (Schedule A, line 8)

2 592,587,488

3 Gross profit. Subtract line 2 from line 1c

3 393,781,838

4 Dividends (Schedule C, line 19)

4 653,948

5 Interest

5 2,079,220

6 Gross rents

6 2,242

7 Gross royalties

7 9,348,473

8 Capital gain net income (attach Schedule D (Form 1120))

8 558,785

9 Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)

9 1,822,821

10 Other income (see instructions - attach schedule) See Stmt. 7

10 5,314,522

11 Total income. Add lines 3 through 10

11 413,561,849

Deductions

12 Compensation of officers (Schedule E, line 4)

12 5,847,889

13 Salaries and wages (less employment credits)

13 183,916,613

14 Repairs and maintenance

14 33,083,652

15 Bad debts

15 -697,875

16 Rents

16 9,075,025

17 Taxes and licenses See Stmt. 8

17 20,438,459

18 Interest

18 92,790,176

19 Charitable contributions (see instructions for 10% limitation)

19 404,895

20 Depreciation (attach Form 4562) 64,588,126

21 Less depreciation claimed on Schedule A and elsewhere on return

21b 64,588,126

22 Depletion

22 500,406

23 Advertising

23 5,620,435

24 Pension, profit-sharing, etc., plans

24 36,628,194

25 Employee benefit programs

25 24,225,941

26 Other deductions (attach schedule) See Stmt. 9

26 92,743,756

27 Total deductions. Add lines 12 through 26

27 569,165,692

28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11

28 -155,603,843

29 Less: a Net operating loss (NOL) deduction (see instructions)

29a

b Special deductions (Schedule C, line 20)

29b 452 **29c** 452

Tax and Payments

30 Taxable income. Subtract line 29c from line 28

30 -155,604,295

31 Total tax (Schedule J, line 11)

31 NONE

32 Payments: a 2000 overpayment credited to 2001

32a

b 2001 estimated tax payments

32b

c Less 2001 refund applied for on Form 4466

32c () **d Bal** **32d**

e Tax deposited with Form 7004

32e

f Credit for tax paid on undistributed capital gains (attach Form 2439)

32f

g Credit for Federal tax on fuels (attach Form 4136). See instructions

32g 17,643 **32h** 17,643

33 Estimated tax penalty (see instructions). Check if Form 2220 is attached

33

34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed

34 NONE

35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid

35 17,643

36 Enter amount of line 35 you want: Credited to 2002 estimated tax

36 17,643

Sign re

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

Title

May the IRS discuss this return with the preparer shown below? (see instr.) ☐ Yes ☐ No

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

EIN

Phone no.

Form 1120 (2001)

W.R. GRACE & CO.-CONN. and DIVISIONS

13-5114230

Page 2

Schedule A Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	1	75,136,954
2	Purchases	2	500,463,573
3	Cost of labor	3	61,260,010
4	Additional section 263A costs (attach schedule) See. Stmt. 10	4	-1,232,000
5	Other costs (attach schedule). See. Stmt. 11	5	46,273,348
6	Total. Add lines 1 through 5	6	681,901,885
7	Inventory at end of year	7	89,314,397
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on line 2, page 1.	8	592,587,488

9a Check all methods used for valuing closing inventory:

- (i) ☐ Cost as described in Regulations section 1.471-3
(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4
(iii) ☐ Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c). ▶ ☐**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐**d** If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d** ☐**e** If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation. ☐ Yes ☐ No

Dividends and Special Deductions (See instructions.)		(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)	645	70	452
2	Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		80	
8	Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))		100	
9	Total. Add lines 1 through 8. See instructions for limitation			452
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12	Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))		100	
13	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)	561,829		
15	Foreign dividend gross-up (section 78)	91,474		
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1. ▶	653,948		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1. ▶			452

Schedule E Compensation of Officers (See instructions.)**Note:** Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
1 See Stmt 12		%	%	%	5,847,889
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2	Total compensation of officers				5,847,889
3	Compensation of officers claimed on Schedule A and elsewhere on return.				
4	Subtract line 3 from line 2. Enter the result here and on line 12, page 1				5,847,889

Schedule Tax Computation (See instructions.)

1 Check if the corporation is a member of a controlled group (see sections 1561 and 1563). <input type="checkbox"/>			
Important: Members of a controlled group, see instructions.			
If the box on line 1 is checked, enter the corporation's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):			
(1) \$	(2) \$	(3) \$	
b Enter the corporation's share of:		(1) Additional 5% tax (not more than \$11,750)	\$
		(2) Additional 3% tax (not more than \$100,000)	\$
3	Income tax. Check if a qualified personal service corporation under section 448(d)(2) (see instructions) <input type="checkbox"/>	3	NONE
4	Alternative minimum tax (attach Form 4626)	4	NONE
5	Add lines 3 and 4	5	NONE
6a	Foreign tax credit (attach Form 1118)	6a	
6b	Possessions tax credit (attach Form 5735)	6b	
c	Check: <input type="checkbox"/> Nonconventional source fuel credit <input type="checkbox"/> QEV credit (attach Form 8834)	6c	
d	General business credit. Check box(es) and indicate which forms are attached. <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) _____	6d	
e	Credit for prior year minimum tax (attach Form 8827)	6e	
f	Qualified zone academy bond credit (attach Form 8860)	6f	
7	Total credits. Add lines 6a through 6f	7	0
8	Subtract line 7 from line 5.	8	NONE
9	Personal holding company tax (attach Schedule PH (Form 1120))	9	
10	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	10	NONE
11	Total tax. Add lines 8 through 10. Enter here and on line 31, page 1	11	NONE

Other Information (See instructions.)

1	Check method of accounting: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____	Yes	No	If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.	Yes	No	
2	See the instructions and enter the:						
	Business activity code no. _____ Business activity _____ Product or service _____						
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) See Stmt. 13.			7	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation?		
	If "Yes," attach a schedule showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.				If "Yes," enter: (a) Percentage owned _____ and (b) Owner's country _____		
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?			c	The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business.		
	If "Yes," enter name and EIN of the parent corporation _____				Enter number of Forms 5472 attached _____		
5	At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).)			8	Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/>		
	If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned _____				If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.)			9	Enter the amount of tax-exempt interest received or accrued during the tax year \$ _____ NONE		
				10	Enter the number of shareholders at the end of the tax year (if 75 or fewer) _____		
				11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here. <input type="checkbox"/>		
					If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3)(i) or (ii) must be attached or the election will not be valid.		
				12	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) \$ _____		

Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Form 1120 (2001)

W.R. GRACE & CO.-CONN. and DIVISIONS

13-5114230

Page 4

Schedule L Balance Sheets per Books

		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		40,397,583		36,401,758
2a	Trade notes and accounts receivable	115,517,463		162,799,935	
b	Less allowance for bad debts	(197,374)	115,320,089	(1,475,365)	161,324,570
3	Inventories		75,136,954		89,314,397
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach schedule)		128,528,662		44,869,337
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach schedule)		1,758,305,532		1,795,517,586
10a	Buildings and other depreciable assets	1,017,558,816		1,042,918,916	
b	Less accumulated depreciation	(618,511,921)	399,046,895	(668,953,459)	373,965,457
11a	Depletable assets	1,109,420		1,109,421	
b	Less accumulated depletion	(240,125)	869,295	(267,879)	841,542
12	Land (net of any amortization)		7,114,479		7,131,364
13a	Intangible assets (amortizable only)	57,069,703		67,340,128	
b	Less accumulated amortization	(11,977,702)	45,092,001	(12,957,096)	54,383,032
14	Other assets (attach schedule)		1,284,879,771		1,370,771,002
15	Total assets		3,854,691,261		3,934,520,045
Liabilities and Shareholders' Equity					
16	Accounts payable		206,158,309		60,476,741
17	Mortgages, notes, bonds payable in less than 1 year		258,627,438		299,529
18	Other current liabilities (attach schedule)		1,973,760,047		1,853,482,337
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				501,543,000
21	Other liabilities (attach schedule)		1,563,405,608		1,863,080,086
22	Capital stock: a Preferred stock				
	b Common stock	85,018,000	85,018,000	85,019,000	85,019,000
23	Additional paid-in capital		142,269,878		142,269,878
24	Retained earnings - Appropriated (attach sch.)		-2,000		-2,000
25	Retained earnings - Unappropriated		-374,546,019		-571,648,526
26	Adjustments to shareholders' equity (attach schedule)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders' equity		3,854,691,261		3,934,520,045

Note: The corporation is not required to complete Schedules M-1 and M-2 if the total assets on line 15, col. (d) of Schedule L are less than \$25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See instructions.)

1	Net income (loss) per books	-35,340,622	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books	3,528,557		Tax-exempt interest \$	
3	Excess of capital losses over capital gains			See Stmt 22	27,462,453
4	Income subject to tax not recorded on books this year (itemize):				27,462,453
	See Stmt 20	9,478,717	8	Deductions on this return not charged against book income this year (itemize):	
5	Expenses recorded on books this year not deducted on this return (itemize):			a Depreciation \$	64,567,454
a	Depreciation \$	60,243,506		b Charitable contributions \$	
b	Charitable contributions \$			See Stmt 23	65,549,869
c	Travel and entertainment \$	2,701,621			130,117,323
	See Stmt 21	-38,635,846	9	Add lines 7 and 8	157,579,776
6	Add lines 1 through 5	1,975,933	10	Income (line 28, page 1) - line 6 less line 9	-155,603,843

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year	-374,546,019	5	Distributions: a Cash	
2	Net income (loss) per books	-35,340,622		b Stock	
3	Other increases (itemize):			c Property	
	See Stmt 24	-161,761,885	6	Other decreases (itemize):	
4	Add lines 1, 2, and 3	-571,648,526	7	Add lines 5 and 6	0
			8	Balance at end of year (line 4 less line 7)	-571,648,526

W.R. GRACE & CO. - U.S. and DIVISIONS
U.S. Corporation Income Tax Return
For Year Ended 12/31/2001

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Form 1120 US Corporation Income Tax Return
Consolidated Income, Deductions, and Taxes

Statement 0

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Income						
1a Gross receipts or sales	1,021,196,077	0	0	1,021,196,077	0	0
b Less returns and allowances	34,826,751	0	0	34,826,751	0	0
c Net receipts or sales	986,369,326	0	0	986,369,326	0	0
2 Less cost of goods sold (Sch. A, line 8)	592,587,488	0	0	592,587,488	0	0
3 Gross profit	393,781,838	0	0	393,781,838	0	0
4 Dividends (Sch. C, line 19)	653,948	0	0	653,948	0	0
5 Interest	2,079,220	0	0	2,079,220	0	0
6 Gross rents	2,242	0	0	2,242	0	0
7 Gross royalties	9,348,473	0	0	9,348,473	0	0
8 Capital gain net income (Schedule D)	558,785	-586,194	0	1,144,979	0	0
9 Net gain (loss) from Form 4797, line 18	1,822,821	586,194	0	1,236,627	0	0
10 Other income	5,314,522	0	0	5,314,522	0	0
11 Total income. Lines 3 through 10	413,561,849	0	0	413,561,849	0	0
Deductions						
12 Compensation of officers (Sch. E, line 4)	5,847,889	0	0	5,847,889	0	0
13 Salaries and wages	183,916,613	0	0	183,916,613	0	0
14 Repairs & Maintenance	33,083,652	0	0	33,083,652	0	0
15 Bad Debts	-697,875	0	0	-697,875	0	0
16 Rents	9,075,025	0	0	9,075,025	0	0
17 Taxes & Licenses	20,438,459	0	0	20,438,459	0	0
18 Interest	92,790,176	0	0	92,790,176	0	0
19 Contributions (Form 4562)	404,895	0	0	404,895	0	0
20 Depreciation (Form 4562)	64,588,126	0	0	64,588,126	0	0
21a Less depreciation claimed elsewhere	0	0	0	0	0	0
b Net depreciation	64,588,126	0	0	64,588,126	0	0
22 Depletion	500,406	0	0	500,406	0	0
23 Advertising	5,620,435	0	0	5,620,435	0	0
24 Pension, profit-sharing, etc., plans	36,628,194	0	0	36,628,194	0	0
25 Employee benefit programs	24,225,941	0	0	24,225,941	0	0
26 Other deductions	92,743,756	0	0	92,743,756	0	0
27 Total deductions. Lines 12 through 26	569,165,692	0	0	569,165,692	0	0
28 Tax. inc. before NOL & special deductions	-155,603,843	0	0	-155,603,843	0	0
29a Less NOL deduction	0	0	0	0	0	0
b Less special deductions (Sch. C, line 20)	452	0	0	452	0	0
c Balance	452	0	0	452	0	0
30 Taxable income. Line 28 less line 29c	-155,604,295	0	0	-155,604,295	0	0